

FIRST REGULAR SESSION

SENATE BILL NO. 174

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR GRIESHEIMER.

Read 1st time January 12, 2009, and ordered printed.

TERRY L. SPIELER, Secretary.

0966S.011

AN ACT

To repeal sections 52.240, 53.175, 67.110, 137.073, 137.106, 137.385, 137.425, 137.720, 138.140, and 139.031, RSMo, and to enact in lieu thereof ten new sections relating to property taxes, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 52.240, 53.175, 67.110, 137.073, 137.106, 137.385, 137.425, 137.720, 138.140, and 139.031, RSMo, are repealed and ten new sections enacted in lieu thereof, to be known as sections 52.240, 53.175, 67.110, 137.073, 137.106, 137.385, 137.425, 137.720, 138.140, and 139.031, to read as follows:

52.240. 1. The statement and receipt required by section 52.230 shall be mailed to the address of the taxpayer as shown by the county assessor on the current tax books, and postage for the mailing of the statements and receipts shall be furnished by the county commission. The failure of the taxpayer to receive the notice provided for in section 52.230 in no case relieves the taxpayer of any tax liability imposed by law. No penalty or interest imposed under any law shall be charged on any real or personal property tax when there is clear and convincing evidence that the county made an error or omission in determining taxes owed by a taxpayer.

2. Any taxpayer claiming that the county made an error or omission in determining taxes owed may submit a written request for a refund of penalties, interest, or taxes to the county commission or governing body of the county. If the county commission or governing body of the county approves the refund, then such penalties, interest, or taxes shall be refunded as provided in subsection [6] 5 of section 139.031, RSMo. The county commission shall approve or disapprove the taxpayer's written request within thirty days of receiving said request. The

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

17 county collector shall refund penalties, interest, and taxes if the county made an
18 error or omission in determining taxes owed by the taxpayer.

19 3. Nothing in this section shall relieve a taxpayer from paying taxes owed
20 by December thirty-first and paying penalties and interest owed for failing to pay
21 all taxes by December thirty-first.

53.175. The county assessor in all counties of the second, third and fourth
2 class, and all counties of the first class without a charter form of government
3 except those first class counties which do not adjoin a first class county having
4 a charter form of government, shall, in addition to all the duties provided by law,
5 abstract the assessed valuation of all real estate lists, personal property lists and
6 information on personal property assessment lists as to the number of each and
7 every item of personal tangible property and certify the information to the county
8 commission on or before **[June] July** first of each year.

67.110. 1. Each political subdivision in the state, except counties and any
2 political subdivision located at least partially within any county with a charter
3 form of government or any political subdivision located at least partially within
4 any city not within a county, shall fix its ad valorem property tax rates as
5 provided in this section not later than September first for entry in the tax
6 books. Each political subdivision located, at least partially, within a county with
7 a charter form of government or within a city not within a county shall fix its ad
8 valorem property tax rates as provided in this section not later than October first
9 for entry in the tax books for each calendar year after December 31, 2008. Before
10 the governing body of each political subdivision of the state, except counties, as
11 defined in section 70.120, RSMo, fixes its rate of taxation, its budget officer shall
12 present to its governing body the following information for each tax rate to be
13 levied: the assessed valuation by category of real, personal and other tangible
14 property in the political subdivision as entered in the tax book for the fiscal year
15 for which the tax is to be levied, as provided by subsection 3 of section 137.245,
16 RSMo, the assessed valuation by category of real, personal and other tangible
17 property in the political subdivisions for the preceding taxable year, the amount
18 of revenue required to be provided from the property tax as set forth in the
19 annual budget adopted as provided by this chapter, and the tax rate proposed to
20 be set. Should any political subdivision whose taxes are collected by the county
21 collector of revenue fail to fix its ad valorem property tax rate by **[September**
22 **first] the date provided under this section for such political subdivision,**
23 then no tax rate other than the rate, if any, necessary to pay the interest and

24 principal on any outstanding bonds shall be certified for that year.

25 2. The governing body shall hold at least one public hearing on the
26 proposed rates of taxes at which citizens shall be heard prior to their
27 approval. The governing body shall determine the time and place for such
28 hearing. A notice stating the hour, date and place of the hearing shall be
29 published in at least one newspaper qualified under the laws of the state of
30 Missouri of general circulation in the county within which all or the largest
31 portion of the political subdivision is situated, or such notice shall be posted in
32 at least three public places within the political subdivision; except that, in any
33 county of the first class having a charter form of government, such notice may be
34 published in a newspaper of general circulation within the political subdivision
35 even though such newspaper is not qualified under the laws of Missouri for other
36 legal notices. Such notice shall be published or posted at least seven days prior
37 to the date of the hearing. The notice shall include the assessed valuation by
38 category of real, personal and other tangible property in the political subdivision
39 for the fiscal year for which the tax is to be levied as provided by subsection 3 of
40 section 137.245, RSMo, the assessed valuation by category of real, personal and
41 other tangible property in the political subdivision for the preceding taxable year,
42 for each rate to be levied the amount of revenue required to be provided from the
43 property tax as set forth in the annual budget adopted as provided by this
44 chapter, and the tax rates proposed to be set for the various purposes of
45 taxation. The tax rates shall be calculated to produce substantially the same
46 revenues as required in the annual budget adopted as provided in this
47 chapter. Following the hearing the governing body of each political subdivision
48 shall fix the rates of taxes, the same to be entered in the tax book. Failure of any
49 taxpayer to appear at such hearing shall not prevent the taxpayer from pursuit
50 of any other legal remedy otherwise available to the taxpayer. Nothing in this
51 section absolves political subdivisions of responsibilities under section 137.073,
52 RSMo, nor to adjust tax rates in event changes in assessed valuation occur that
53 would alter the tax rate calculations.

54 3. Each political subdivision of the state shall fix its property tax rates in
55 the manner provided in this section for each fiscal year which begins after
56 December 31, 1976. New or increased tax rates for political subdivisions whose
57 taxes are collected by the county collector approved by voters after September
58 first of any year shall not be included in that year's tax levy except for any new
59 tax rate ceiling approved pursuant to section 71.800, RSMo.

60 4. In addition to the information required under subsections 1 and 2 of
61 this section, each political subdivision shall also include the increase in tax
62 revenue due to an increase in assessed value as a result of new construction and
63 improvement and the increase, both in dollar value and percentage, in tax
64 revenue as a result of reassessment if the proposed tax rate is adopted.

137.073. 1. As used in this section, the following terms mean:

2 (1) "General reassessment", changes in value, entered in the assessor's
3 books, of a substantial portion of the parcels of real property within a county
4 resulting wholly or partly from reappraisal of value or other actions of the
5 assessor or county equalization body or ordered by the state tax commission or
6 any court;

7 (2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax
8 rate for each purpose of taxation of property a taxing authority is authorized to
9 levy without a vote and any tax rate authorized by election, including bond
10 interest and sinking fund;

11 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to
12 comply with the provisions of this section or when a court has determined the tax
13 rate; except that, other provisions of law to the contrary notwithstanding, a school
14 district may levy the operating levy for school purposes required for the current
15 year pursuant to subsection 2 of section 163.021, RSMo, less all adjustments
16 required pursuant to article X, section 22 of the Missouri Constitution, if such tax
17 rate does not exceed the highest tax rate in effect subsequent to the 1980 tax
18 year. This is the maximum tax rate that may be levied, unless a higher tax rate
19 ceiling is approved by voters of the political subdivision as provided in this
20 section;

21 (4) "Tax revenue", when referring to the previous year, means the actual
22 receipts from ad valorem levies on all classes of property, including state-assessed
23 property, in the immediately preceding fiscal year of the political subdivision,
24 plus an allowance for taxes billed but not collected in the fiscal year and plus an
25 additional allowance for the revenue which would have been collected from
26 property which was annexed by such political subdivision but which was not
27 previously used in determining tax revenue pursuant to this section. The term
28 "tax revenue" shall not include any receipts from ad valorem levies on any
29 property of a railroad corporation or a public utility, as these terms are defined
30 in section 386.020, RSMo, which were assessed by the assessor of a county or city
31 in the previous year but are assessed by the state tax commission in the current

32 year. All school districts and those counties levying sales taxes pursuant to
33 chapter 67, RSMo, shall include in the calculation of tax revenue an amount
34 equivalent to that by which they reduced property tax levies as a result of sales
35 tax pursuant to section 67.505, RSMo, and section 164.013, RSMo, or as excess
36 home dock city or county fees as provided in subsection 4 of section 313.820,
37 RSMo, in the immediately preceding fiscal year but not including any amount
38 calculated to adjust for prior years. For purposes of political subdivisions which
39 were authorized to levy a tax in the prior year but which did not levy such tax or
40 levied a reduced rate, the term "tax revenue", as used in relation to the revision
41 of tax levies mandated by law, shall mean the revenues equal to the amount that
42 would have been available if the voluntary rate reduction had not been made.

43 2. Whenever changes in assessed valuation are entered in the assessor's
44 books for any personal property, in the aggregate, or for any subclass of real
45 property as such subclasses are established in section 4(b) of article X of the
46 Missouri Constitution and defined in section 137.016, the county clerk in all
47 counties and the assessor of St. Louis City shall notify each political subdivision
48 wholly or partially within the county or St. Louis City of the change in valuation
49 of each subclass of real property, individually, and personal property, in the
50 aggregate, exclusive of new construction and improvements. All political
51 subdivisions shall immediately revise the applicable rates of levy for each purpose
52 for each subclass of real property, individually, and personal property, in the
53 aggregate, for which taxes are levied to the extent necessary to produce from all
54 taxable property, exclusive of new construction and improvements, substantially
55 the same amount of tax revenue as was produced in the previous year for each
56 subclass of real property, individually, and personal property, in the aggregate,
57 except that the rate may not exceed **the greater of the rate in effect in the**
58 **1984 tax year or the most recent voter-approved rate. For the 2009 tax year,**
59 **any political subdivision may levy a rate sufficient to generate tax**
60 **revenue in an amount equal to revenue collections realized in the 2007**
61 **tax year from all taxable property, exclusive of any new construction**
62 **or improvements attributable to tax years 2008 and 2009, except that**
63 **such rate shall not exceed the greater of the rate in effect for the 1984**
64 **tax year or the most recent voter approved tax rate. Any school district**
65 **may levy the operating levy for school purposes required for the**
66 **current year pursuant to subsection 2 of section 163.021, RSMo, less all**
67 **adjustments required pursuant to article X, section 22 of the Missouri**

68 **constitution and under subdivision 4 of subsection 5 of this section, if**
69 **such tax rate does not exceed the highest tax rate in effect subsequent**
70 **to the 1980 tax year.** Such tax revenue shall not include any receipts from ad
71 valorem levies on any real property which was assessed by the assessor of a
72 county or city in such previous year but is assessed by the assessor of a county
73 or city in the current year in a different subclass of real property. Where the
74 taxing authority is a school district for the purposes of revising the applicable
75 rates of levy for each subclass of real property, the tax revenues from
76 state-assessed railroad and utility property shall be apportioned and attributed
77 to each subclass of real property based on the percentage of the total assessed
78 valuation of the county that each subclass of real property represents in the
79 current taxable year. As provided in section 22 of article X of the constitution,
80 a political subdivision may also revise each levy to allow for inflationary
81 assessment growth occurring within the political subdivision. The inflationary
82 growth factor for any such subclass of real property or personal property shall be
83 limited to the actual assessment growth in such subclass or class, exclusive of
84 new construction and improvements, and exclusive of the assessed value on any
85 real property which was assessed by the assessor of a county or city in the
86 current year in a different subclass of real property, but not to exceed the
87 consumer price index or five percent, whichever is lower. Should the tax revenue
88 of a political subdivision from the various tax rates determined in this subsection
89 be different than the tax revenue that would have been determined from a single
90 tax rate as calculated pursuant to the method of calculation in this subsection
91 prior to January 1, 2003, then the political subdivision shall revise the tax rates
92 of those subclasses of real property, individually, and/or personal property, in the
93 aggregate, in which there is a tax rate reduction, pursuant to the provisions of
94 this subsection. Such revision shall yield an amount equal to such difference and
95 shall be apportioned among such subclasses of real property, individually, and/or
96 personal property, in the aggregate, based on the relative assessed valuation of
97 the class or subclasses of property experiencing a tax rate reduction. Such
98 revision in the tax rates of each class or subclass shall be made by computing the
99 percentage of current year adjusted assessed valuation of each class or subclass
100 with a tax rate reduction to the total current year adjusted assessed valuation of
101 the class or subclasses with a tax rate reduction, multiplying the resulting
102 percentages by the revenue difference between the single rate calculation and the
103 calculations pursuant to this subsection and dividing by the respective adjusted

104 current year assessed valuation of each class or subclass to determine the
105 adjustment to the rate to be levied upon each class or subclass of property. The
106 adjustment computed herein shall be multiplied by one hundred, rounded to four
107 decimals in the manner provided in this subsection, and added to the initial rate
108 computed for each class or subclass of property. Notwithstanding any provision
109 of this subsection to the contrary, no revision to the rate of levy for personal
110 property shall cause such levy to increase over the levy for personal property from
111 the prior year.

112 3. (1) Where the taxing authority is a school district, it shall be required
113 to revise the rates of levy to the extent necessary to produce from all taxable
114 property, including state-assessed railroad and utility property, which shall be
115 separately estimated in addition to other data required in complying with section
116 164.011, RSMo, substantially the amount of tax revenue permitted in this section.
117 In the year following tax rate reduction, the tax rate ceiling may be adjusted to
118 offset such district's reduction in the apportionment of state school moneys due
119 to its reduced tax rate. However, in the event any school district, in calculating
120 a tax rate ceiling pursuant to this section, requiring the estimating of effects of
121 state-assessed railroad and utility valuation or loss of state aid, discovers that the
122 estimates used result in receipt of excess revenues, which would have required
123 a lower rate if the actual information had been known, the school district shall
124 reduce the tax rate ceiling in the following year to compensate for the excess
125 receipts, and the recalculated rate shall become the tax rate ceiling for purposes
126 of this section.

127 (2) For any political subdivision which experiences a reduction in the
128 amount of assessed valuation relating to a prior year, due to decisions of the state
129 tax commission or a court pursuant to sections 138.430 to 138.433, RSMo, or due
130 to clerical errors or corrections in the calculation or recordation of any assessed
131 valuation:

132 (a) Such political subdivision may revise the tax rate ceiling for each
133 purpose it levies taxes to compensate for the reduction in assessed value
134 occurring after the political subdivision calculated the tax rate ceiling for the
135 particular subclass of real property or for personal property, in the aggregate, in
136 a prior year. Such revision by the political subdivision shall be made at the time
137 of the next calculation of the tax rate for the particular subclass of real property
138 or for personal property, in the aggregate, after the reduction in assessed
139 valuation has been determined and shall be calculated in a manner that results

140 in the revised tax rate ceiling being the same as it would have been had the
141 corrected or finalized assessment been available at the time of the prior
142 calculation;

143 (b) In addition, for up to three years following the determination of the
144 reduction in assessed valuation as a result of circumstances defined in this
145 subdivision, such political subdivision may levy a tax rate for each purpose it
146 levies taxes above the revised tax rate ceiling provided in paragraph (a) of this
147 subdivision to recoup any revenues it was entitled to receive had the corrected or
148 finalized assessment been available at the time of the prior calculation.

149 4. (1) In order to implement the provisions of this section and section 22
150 of article X of the Constitution of Missouri, the term "improvements" shall apply
151 to both real and personal property. In order to determine the value of new
152 construction and improvements, each county assessor shall maintain a record of
153 real property valuations in such a manner as to identify each year the increase
154 in valuation for each political subdivision in the county as a result of new
155 construction and improvements. The value of new construction and
156 improvements shall include the additional assessed value of all improvements or
157 additions to real property which were begun after and were not part of the prior
158 year's assessment, except that the additional assessed value of all improvements
159 or additions to real property which had been totally or partially exempt from ad
160 valorem taxes pursuant to sections 99.800 to 99.865, RSMo, sections 135.200 to
161 135.255, RSMo, and section 353.110, RSMo, shall be included in the value of new
162 construction and improvements when the property becomes totally or partially
163 subject to assessment and payment of all ad valorem taxes. The aggregate
164 increase in valuation of personal property for the current year over that of the
165 previous year is the equivalent of the new construction and improvements factor
166 for personal property. Notwithstanding any opt-out implemented pursuant to
167 subsection 15 of section 137.115, the assessor shall certify the amount of new
168 construction and improvements and the amount of assessed value on any real
169 property which was assessed by the assessor of a county or city in such previous
170 year but is assessed by the assessor of a county or city in the current year in a
171 different subclass of real property separately for each of the three subclasses of
172 real property for each political subdivision to the county clerk in order that
173 political subdivisions shall have this information for the purpose of calculating
174 tax rates pursuant to this section and section 22, article X, Constitution of
175 Missouri. In addition, the state tax commission shall certify each year to each

176 county clerk the increase in the general price level as measured by the Consumer
177 Price Index for All Urban Consumers for the United States, or its successor
178 publications, as defined and officially reported by the United States Department
179 of Labor, or its successor agency. The state tax commission shall certify the
180 increase in such index on the latest twelve-month basis available on February
181 first of each year over the immediately preceding prior twelve-month period in
182 order that political subdivisions shall have this information available in setting
183 their tax rates according to law and section 22 of article X of the Constitution of
184 Missouri. For purposes of implementing the provisions of this section and section
185 22 of article X of the Missouri Constitution, the term "property" means all taxable
186 property, including state-assessed property.

187 (2) Each political subdivision required to revise rates of levy pursuant to
188 this section or section 22 of article X of the Constitution of Missouri shall
189 calculate each tax rate it is authorized to levy and, in establishing each tax rate,
190 shall consider each provision for tax rate revision provided in this section and
191 section 22 of article X of the Constitution of Missouri, separately and without
192 regard to annual tax rate reductions provided in section 67.505, RSMo, and
193 section 164.013, RSMo. Each political subdivision shall set each tax rate it is
194 authorized to levy using the calculation that produces the lowest tax rate ceiling.
195 It is further the intent of the general assembly, pursuant to the authority of
196 section 10(c) of article X of the Constitution of Missouri, that the provisions of
197 such section be applicable to tax rate revisions mandated pursuant to section 22
198 of article X of the Constitution of Missouri as to reestablishing tax rates as
199 revised in subsequent years, enforcement provisions, and other provisions not in
200 conflict with section 22 of article X of the Constitution of Missouri. Annual tax
201 rate reductions provided in section 67.505, RSMo, and section 164.013, RSMo,
202 shall be applied to the tax rate as established pursuant to this section and section
203 22 of article X of the Constitution of Missouri, unless otherwise provided by law.

204 5. (1) In all political subdivisions, the tax rate ceiling established
205 pursuant to this section shall not be increased unless approved by a vote of the
206 people. Approval of the higher tax rate shall be by at least a majority of votes
207 cast. When a proposed higher tax rate requires approval by more than a simple
208 majority pursuant to any provision of law or the constitution, the tax rate
209 increase must receive approval by at least the majority required.

210 (2) When voters approve an increase in the tax rate, the amount of the
211 increase shall be added to the tax rate ceiling as calculated pursuant to this

212 section to the extent the total rate does not exceed any maximum rate prescribed
213 by law. If a ballot question presents a stated tax rate for approval rather than
214 describing the amount of increase in the question, the stated tax rate approved
215 shall be adjusted as provided in this section and, so adjusted, shall be the current
216 tax rate ceiling. The increased tax rate ceiling as approved shall be adjusted
217 such that when applied to the current total assessed valuation of the political
218 subdivision, excluding new construction and improvements since the date of the
219 election approving such increase, the revenue derived from the adjusted tax rate
220 ceiling is equal to the sum of: the amount of revenue which would have been
221 derived by applying the voter-approved increased tax rate ceiling to total assessed
222 valuation of the political subdivision, as most recently certified by the city or
223 county clerk on or before the date of the election in which such increase is
224 approved, increased by the percentage increase in the consumer price index, as
225 provided by law. Such adjusted tax rate ceiling may be applied to the total
226 assessed valuation of the political subdivision at the setting of the next tax rate.
227 If a ballot question presents a phased-in tax rate increase, upon voter approval,
228 each tax rate increase shall be adjusted in the manner prescribed in this section
229 to yield the sum of: the amount of revenue that would be derived by applying
230 such voter-approved increased rate to the total assessed valuation, as most
231 recently certified by the city or county clerk on or before the date of the election
232 in which such increase was approved, increased by the percentage increase in the
233 consumer price index, as provided by law, from the date of the election to the time
234 of such increase and, so adjusted, shall be the current tax rate ceiling.

235 (3) The governing body of any political subdivision may levy a tax rate
236 lower than its tax rate ceiling and may, in a nonreassessment year, increase that
237 lowered tax rate to a level not exceeding the tax rate ceiling without voter
238 approval in the manner provided under subdivision (4) of this
239 subsection. Nothing in this section shall be construed as prohibiting a political
240 subdivision from voluntarily levying a tax rate lower than that which is required
241 under the provisions of this section or from seeking voter approval of a reduction
242 to such political subdivision's tax rate ceiling.

243 (4) In a year of general reassessment, a governing body whose tax rate is
244 lower than its tax rate ceiling shall revise its tax rate pursuant to the provisions
245 of subsection 4 of this section as if its tax rate was at the tax rate ceiling. In a
246 year following general reassessment, if such governing body intends to increase
247 its tax rate, the governing body shall conduct a public hearing, and in a public

248 meeting it shall adopt an ordinance, resolution, or policy statement justifying its
249 action prior to setting and certifying its tax rate. The provisions of this
250 subdivision shall not apply to any political subdivision which levies a tax rate
251 lower than its tax rate ceiling solely due to a reduction required by law resulting
252 from sales tax collections. The provisions of this subdivision shall not apply to
253 any political subdivision which has received voter approval for an increase to its
254 tax rate ceiling subsequent to setting its most recent tax rate.

255 6. (1) For the purposes of calculating state aid for public schools pursuant
256 to section 163.031, RSMo, each taxing authority which is a school district shall
257 determine its proposed tax rate as a blended rate of the classes or subclasses of
258 property. Such blended rate shall be calculated by first determining the total tax
259 revenue of the property within the jurisdiction of the taxing authority, which
260 amount shall be equal to the sum of the products of multiplying the assessed
261 valuation of each class and subclass of property by the corresponding tax rate for
262 such class or subclass, then dividing the total tax revenue by the total assessed
263 valuation of the same jurisdiction, and then multiplying the resulting quotient
264 by a factor of one hundred. Where the taxing authority is a school district, such
265 blended rate shall also be used by such school district for calculating revenue
266 from state-assessed railroad and utility property as defined in chapter 151, RSMo,
267 and for apportioning the tax rate by purpose.

268 (2) Each taxing authority proposing to levy a tax rate in any year shall
269 notify the clerk of the county commission in the county or counties where the tax
270 rate applies of its tax rate ceiling and its proposed tax rate. Each taxing
271 authority shall express its proposed tax rate in a fraction equal to the nearest
272 one-tenth of a cent, unless its proposed tax rate is in excess of one dollar, then
273 one/one-hundredth of a cent. If a taxing authority shall round to
274 one/one-hundredth of a cent, it shall round up a fraction greater than or equal to
275 five/one-thousandth of one cent to the next higher one/one-hundredth of a cent;
276 if a taxing authority shall round to one-tenth of a cent, it shall round up a
277 fraction greater than or equal to five/one-hundredths of a cent to the next higher
278 one-tenth of a cent. Any taxing authority levying a property tax rate shall
279 provide data, in such form as shall be prescribed by the state auditor by rule,
280 substantiating such tax rate complies with Missouri law. All forms for the
281 calculation of rates pursuant to this section shall be promulgated as a rule and
282 shall not be incorporated by reference. The state auditor shall promulgate rules
283 for any and all forms for the calculation of rates pursuant to this section which

284 do not currently exist in rule form or that have been incorporated by reference.
285 In addition, each taxing authority proposing to levy a tax rate for debt service
286 shall provide data, in such form as shall be prescribed by the state auditor by
287 rule, substantiating the tax rate for debt service complies with Missouri law. A
288 tax rate proposed for annual debt service requirements will be prima facie valid
289 if, after making the payment for which the tax was levied, bonds remain
290 outstanding and the debt fund reserves do not exceed the following year's
291 payments. The county clerk shall keep on file and available for public inspection
292 all such information for a period of three years. The clerk shall, within three
293 days of receipt, forward a copy of the notice of a taxing authority's tax rate ceiling
294 and proposed tax rate and any substantiating data to the state auditor. The state
295 auditor shall, within fifteen days of the date of receipt, examine such information
296 and return to the county clerk his or her findings as to compliance of the tax rate
297 ceiling with this section and as to compliance of any proposed tax rate for debt
298 service with Missouri law. If the state auditor believes that a taxing authority's
299 proposed tax rate does not comply with Missouri law, then the state auditor's
300 findings shall include a recalculated tax rate, and the state auditor may request
301 a taxing authority to submit documentation supporting such taxing authority's
302 proposed tax rate. The county clerk shall immediately forward a copy of the
303 auditor's findings to the taxing authority and shall file a copy of the findings with
304 the information received from the taxing authority. The taxing authority shall
305 have fifteen days from the date of receipt from the county clerk of the state
306 auditor's findings and any request for supporting documentation to accept or
307 reject in writing the rate change certified by the state auditor and to submit all
308 requested information to the state auditor. A copy of the taxing authority's
309 acceptance or rejection and any information submitted to the state auditor shall
310 also be mailed to the county clerk. If a taxing authority rejects a rate change
311 certified by the state auditor and the state auditor does not receive supporting
312 information which justifies the taxing authority's original or any subsequent
313 proposed tax rate, then the state auditor shall refer the perceived violations of
314 such taxing authority to the attorney general's office and the attorney general is
315 authorized to obtain injunctive relief to prevent the taxing authority from levying
316 a violative tax rate.

317 7. No tax rate shall be extended on the tax rolls by the county clerk unless
318 the political subdivision has complied with the foregoing provisions of this
319 section.

320 8. Whenever a taxpayer has cause to believe that a taxing authority has
321 not complied with the provisions of this section, the taxpayer may make a formal
322 complaint with the prosecuting attorney of the county. Where the prosecuting
323 attorney fails to bring an action within ten days of the filing of the complaint, the
324 taxpayer may bring a civil action pursuant to this section and institute an action
325 as representative of a class of all taxpayers within a taxing authority if the class
326 is so numerous that joinder of all members is impracticable, if there are questions
327 of law or fact common to the class, if the claims or defenses of the representative
328 parties are typical of the claims or defenses of the class, and if the representative
329 parties will fairly and adequately protect the interests of the class. In any class
330 action maintained pursuant to this section, the court may direct to the members
331 of the class a notice to be published at least once each week for four consecutive
332 weeks in a newspaper of general circulation published in the county where the
333 civil action is commenced and in other counties within the jurisdiction of a taxing
334 authority. The notice shall advise each member that the court will exclude him
335 or her from the class if he or she so requests by a specified date, that the
336 judgment, whether favorable or not, will include all members who do not request
337 exclusion, and that any member who does not request exclusion may, if he or she
338 desires, enter an appearance. In any class action brought pursuant to this
339 section, the court, in addition to the relief requested, shall assess against the
340 taxing authority found to be in violation of this section the reasonable costs of
341 bringing the action, including reasonable attorney's fees, provided no attorney's
342 fees shall be awarded any attorney or association of attorneys who receive public
343 funds from any source for their services. Any action brought pursuant to this
344 section shall be set for hearing as soon as practicable after the cause is at issue.

345 9. If in any action, including a class action, the court issues an order
346 requiring a taxing authority to revise the tax rates as provided in this section or
347 enjoins a taxing authority from the collection of a tax because of its failure to
348 revise the rate of levy as provided in this section, any taxpayer paying his or her
349 taxes when an improper rate is applied has erroneously paid his or her taxes in
350 part, whether or not the taxes are paid under protest as provided in section
351 139.031, RSMo, or otherwise contested. The part of the taxes paid erroneously
352 is the difference in the amount produced by the original levy and the amount
353 produced by the revised levy. The township or county collector of taxes or the
354 collector of taxes in any city shall refund the amount of the tax erroneously
355 paid. The taxing authority refusing to revise the rate of levy as provided in this

356 section shall make available to the collector all funds necessary to make refunds
357 pursuant to this subsection. No taxpayer shall receive any interest on any money
358 erroneously paid by him or her pursuant to this subsection. Effective in the 1994
359 tax year, nothing in this section shall be construed to require a taxing authority
360 to refund any tax erroneously paid prior to or during the third tax year preceding
361 the current tax year.

362 10. Any rule or portion of a rule, as that term is defined in section
363 536.010, RSMo, that is created under the authority delegated in this section shall
364 become effective only if it complies with and is subject to all of the provisions of
365 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and
366 chapter 536, RSMo, are nonseverable and if any of the powers vested with the
367 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective
368 date, or to disapprove and annul a rule are subsequently held unconstitutional,
369 then the grant of rulemaking authority and any rule proposed or adopted after
370 August 28, 2004, shall be invalid and void.

137.106. 1. This section may be known and may be cited as "The Missouri
2 Homestead Preservation Act".

3 2. As used in this section, the following terms shall mean:

4 (1) "Department", the department of revenue;

5 (2) "Director", the director of revenue;

6 (3) "Disabled", as such term is defined in section 135.010, RSMo;

7 (4) "Eligible owner", any individual owner of property who is sixty-five
8 years old or older as of January first of the tax year in which the individual is
9 claiming the credit or who is disabled, and who had an income of equal to or less
10 than the maximum upper limit in the year prior to completing an application
11 pursuant to this section; or

12 (a) In the case of a married couple owning property either jointly or as
13 tenants by the entirety, or where only one spouse owns the property, such couple
14 shall be considered an eligible taxpayer if both spouses have reached the age of
15 sixty-five or if one spouse is disabled, or if one spouse is at least sixty-five years
16 old and the other spouse is at least sixty years old, and the combined income of
17 the couple in the year prior to completing an application pursuant to this section
18 did not exceed the maximum upper limit; or

19 (b) In the case of joint ownership by unmarried persons or ownership by
20 tenancy in common by two or more unmarried persons, such owners shall be
21 considered an eligible owner if each person with an ownership interest

22 individually satisfies the eligibility requirements for an individual eligible owner
23 under this section and the combined income of all individuals with an interest in
24 the property is equal to or less than the maximum upper limit in the year prior
25 to completing an application under this section. If any individual with an
26 ownership interest in the property fails to satisfy the eligibility requirements of
27 an individual eligible owner or if the combined income of all individuals with
28 interest in the property exceeds the maximum upper limit, then all individuals
29 with an ownership interest in such property shall be deemed ineligible owners
30 regardless of such other individual's ability to individually meet the eligibility
31 requirements; or

32 (c) In the case of property held in trust, the eligible owner and recipient
33 of the tax credit shall be the trust itself provided the previous owner of the
34 homestead or the previous owner's spouse: is the settlor of the trust with respect
35 to the homestead; currently resides in such homestead; and but for the transfer
36 of such property would have satisfied the age, ownership, and maximum upper
37 limit requirements for income as defined in subdivisions (7) and (8) of this
38 subsection;

39 No individual shall be an eligible owner if the individual has not paid their
40 property tax liability, if any, in full by the payment due date in any of the three
41 prior tax years, except that a late payment of a property tax liability in any prior
42 year shall not disqualify a potential eligible owner if such owner paid in full the
43 tax liability and any and all penalties, additions and interest that arose as a
44 result of such late payment; no individual shall be an eligible owner if such
45 person filed a valid claim for the senior citizens property tax relief credit
46 pursuant to sections 135.010 to 135.035, RSMo;

47 (5) "Homestead", as such term is defined pursuant to section 135.010,
48 RSMo, except as limited by provisions of this section to the contrary. No property
49 shall be considered a homestead if such property was improved since the most
50 recent annual assessment by more than five percent of the prior year appraised
51 value, except where an eligible owner of the property has made such
52 improvements to accommodate a disabled person;

53 (6) "Homestead exemption limit", a percentage increase, rounded to the
54 nearest hundredth of a percent, which shall be equal to the percentage increase
55 to tax liability, not including improvements, of a homestead from one tax year to
56 the next that exceeds a certain percentage set pursuant to subsection 10 of this
57 section. For applications filed in 2005 or 2006, the homestead exemption limit

58 shall be based on the increase to tax liability from 2004 to 2005. For applications
59 filed between April 1, 2005, and September 30, 2006, an eligible owner, who
60 otherwise satisfied the requirements of this section, shall not apply for the
61 homestead exemption credit more than once during such period. For applications
62 filed after 2006, the homestead exemption limit shall be based on the increase to
63 tax liability from two years prior to application to the year immediately prior to
64 application. For applications filed between December 31, 2008, and December 31,
65 2011, the homestead exemption limit shall be based on the increase in tax
66 liability from the base year to the year prior to the application year. For
67 applications filed on or after January 1, 2012, the homestead exemption limit
68 shall be based on the increase to tax liability from two years prior to application
69 to the year immediately prior to application. For purposes of this subdivision, the
70 term "base year" means the year prior to the first year in which the eligible
71 owner's application was approved, or 2006, whichever is later. **For applications**
72 **filed between December 31, 2009, and December 31, 2010, where a**
73 **taxpayer is approved for the first time due to the three-year ownership**
74 **requirement provided under this section, the term "base year" shall**
75 **mean the year immediately following the year in which ownership of**
76 **such property was acquired by the taxpayer;**

77 (7) "Income", federal adjusted gross income, and in the case of ownership
78 of the homestead by trust, the income of the settlor applicant shall be imputed
79 to the income of the trust for purposes of determining eligibility with regards to
80 the maximum upper limit;

81 (8) "Maximum upper limit", in the calendar year 2005, the income sum of
82 seventy thousand dollars; in each successive calendar year this amount shall be
83 raised by the incremental increase in the general price level, as defined pursuant
84 to article X, section 17 of the Missouri Constitution.

85 3. Pursuant to article X, section 6(a) of the Constitution of Missouri, if in
86 the prior tax year, the property tax liability on any parcel of subclass (1) real
87 property increased by more than the homestead exemption limit, without regard
88 for any prior credit received due to the provisions of this section, then any eligible
89 owner of the property shall receive a homestead exemption credit to be applied
90 in the current tax year property tax liability to offset the prior year increase to
91 tax liability that exceeds the homestead exemption limit, except as eligibility for
92 the credit is limited by the provisions of this section. The amount of the credit
93 shall be listed separately on each taxpayer's tax bill for the current tax year, or

94 on a document enclosed with the taxpayer's bill. The homestead exemption credit
95 shall not affect the process of setting the tax rate as required pursuant to article
96 X, section 22 of the Constitution of Missouri and section 137.073 in any prior,
97 current, or subsequent tax year.

98 4. If application is made in 2005, any potential eligible owner may apply
99 for the homestead exemption credit by completing an application through their
100 local assessor's office. Applications may be completed between April first and
101 September thirtieth of any tax year in order for the taxpayer to be eligible for the
102 homestead exemption credit in the tax year next following the calendar year in
103 which the homestead exemption credit application was completed. The
104 application shall be on forms provided to the assessor's office by the
105 department. Forms also shall be made available on the department's Internet
106 site and at all permanent branch offices and all full-time, temporary, or fee offices
107 maintained by the department of revenue. The applicant shall attest under
108 penalty of perjury:

109 (1) To the applicant's age;

110 (2) That the applicant's prior year income was less than the maximum
111 upper limit;

112 (3) To the address of the homestead property; and

113 (4) That any improvements made to the homestead, not made to
114 accommodate a disabled person, did not total more than five percent of the prior
115 year appraised value. The applicant shall also include with the application copies
116 of receipts indicating payment of property tax by the applicant for the homestead
117 property for the two prior tax years.

118 5. If application is made in 2005, the assessor, upon request for an
119 application, shall:

120 (1) Certify the parcel number and owner of record as of January first of
121 the homestead, including verification of the acreage classified as residential on
122 the assessor's property record card;

123 (2) Obtain appropriate prior tax year levy codes for each homestead from
124 the county clerks for inclusion on the form;

125 (3) Record on the application the assessed valuation of the homestead for
126 the current tax year, and any new construction or improvements for the current
127 tax year; and

128 (4) Sign the application, certifying the accuracy of the assessor's entries.

129 6. If application is made after 2005, any potential eligible owner may

130 apply for the homestead exemption credit by completing an
131 application. Applications may be completed between April first and October
132 fifteenth of any tax year in order for the taxpayer to be eligible for the homestead
133 exemption credit in the tax year next following the calendar year in which the
134 homestead exemption credit application was completed. The application shall be
135 on forms provided by the department. Forms also shall be made available on the
136 department's Internet site and at all permanent branch offices and all full-time,
137 temporary, or fee offices maintained by the department of revenue. The applicant
138 shall attest under penalty of perjury:

- 139 (1) To the applicant's age;
- 140 (2) That the applicant's prior year income was less than the maximum
141 upper limit;
- 142 (3) To the address of the homestead property;
- 143 (4) That any improvements made to the homestead, not made to
144 accommodate a disabled person, did not total more than five percent of the prior
145 year appraised value; and
- 146 (5) The applicant shall also include with the application copies of receipts
147 indicating payment of property tax by the applicant for the homestead property
148 for the three prior tax years.

149 7. Each applicant shall send the application to the department by October
150 fifteenth of each year for the taxpayer to be eligible for the homestead exemption
151 credit in the tax year next following the calendar year in which the application
152 was completed.

153 8. If application is made in 2005, upon receipt of the applications, the
154 department shall calculate the tax liability, adjusted to exclude new construction
155 or improvements verify compliance with the maximum income limit, verify the
156 age of the applicants, and make adjustments to these numbers as necessary on
157 the applications. The department also shall disallow any application where the
158 applicant has also filed a valid application for the senior citizens property tax
159 credit, pursuant to sections 135.010 to 135.035, RSMo. Once adjusted tax
160 liability, age, and income are verified, the director shall determine eligibility for
161 the credit, and provide a list of all verified eligible owners to the county collectors
162 or county clerks in counties with a township form of government by December
163 fifteenth of each year. By January fifteenth, the county collectors or county
164 clerks in counties with a township form of government shall provide a list to the
165 department of any verified eligible owners who failed to pay the property tax due

166 for the tax year that ended immediately prior. Such eligible owners shall be
167 disqualified from receiving the credit in the current tax year.

168 9. If application is made after 2005, upon receipt of the applications, the
169 department shall calculate the tax liability, verify compliance with the maximum
170 income limit, verify the age of the applicants, and make adjustments to these
171 numbers as necessary on the applications. The department also shall disallow
172 any application where the applicant also has filed a valid application for the
173 senior citizens property tax credit under sections 135.010 to 135.035,
174 RSMo. Once adjusted tax liability, age, and income are verified, the director shall
175 determine eligibility for the credit and provide a list of all verified eligible owners
176 to the county assessors or county clerks in counties with a township form of
177 government by December fifteenth of each year. By January fifteenth, the county
178 assessors shall provide a list to the department of any verified eligible owners
179 who made improvements not for accommodation of a disability to the homestead
180 and the dollar amount of the assessed value of such improvements. If the dollar
181 amount of the assessed value of such improvements totaled more than five
182 percent of the prior year appraised value, such eligible owners shall be
183 disqualified from receiving the credit in the current tax year.

184 10. The director shall calculate the level of appropriation necessary to set
185 the homestead exemption limit at five percent when based on a year of general
186 reassessment or at two and one-half percent when based on a year without
187 general reassessment for the homesteads of all verified eligible owners, and
188 provide such calculation to the speaker of the house of representatives, the
189 president pro tempore of the senate, and the director of the office of budget and
190 planning in the office of administration by January thirty-first of each year.

191 11. For applications made in 2005, the general assembly shall make an
192 appropriation for the funding of the homestead exemption credit that is signed
193 by the governor, then the director shall, by July thirty-first of such year, set the
194 homestead exemption limit. The limit shall be a single, statewide percentage
195 increase to tax liability, rounded to the nearest hundredth of a percent, which, if
196 applied to all homesteads of verified eligible owners who applied for the
197 homestead exemption credit in the immediately prior tax year, would cause all
198 but one-quarter of one percent of the amount of the appropriation, minus any
199 withholding by the governor, to be distributed during that fiscal year. The
200 remaining one-quarter of one percent shall be distributed to the county
201 assessment funds of each county on a proportional basis, based on the number of

202 eligible owners in each county; such one-quarter percent distribution shall be
203 delineated in any such appropriation as a separate line item in the total
204 appropriation. If no appropriation is made by the general assembly during any
205 tax year or no funds are actually distributed pursuant to any appropriation
206 therefor, then no homestead preservation credit shall apply in such year.

207 12. After setting the homestead exemption limit for applications made in
208 2005, the director shall apply the limit to the homestead of each verified eligible
209 owner and calculate the credit to be associated with each verified eligible owner's
210 homestead, if any. The director shall send a list of those eligible owners who are
211 to receive the homestead exemption credit, including the amount of each credit,
212 the certified parcel number of the homestead, and the address of the homestead
213 property, to the county collectors or county clerks in counties with a township
214 form of government by August thirty-first. Pursuant to such calculation, the
215 director shall instruct the state treasurer as to how to distribute the
216 appropriation and assessment fund allocation to the county collector's funds of
217 each county or the treasurer ex officio collector's fund in counties with a township
218 form of government where recipients of the homestead exemption credit are
219 located, so as to exactly offset each homestead exemption credit being issued, plus
220 the one-quarter of one percent distribution for the county assessment funds. As
221 a result of the appropriation, in no case shall a political subdivision receive more
222 money than it would have received absent the provisions of this section plus the
223 one-quarter of one percent distribution for the county assessment funds. Funds,
224 at the direction of the county collector or the treasurer ex officio collector in
225 counties with a township form of government, shall be deposited in the county
226 collector's fund of a county or the treasurer ex officio collector's fund or may be
227 sent by mail to the collector of a county, or the treasurer ex officio collector in
228 counties with a township form of government, not later than October first in any
229 year a homestead exemption credit is appropriated as a result of this section and
230 shall be distributed as moneys in such funds are commonly distributed from other
231 property tax revenues by the collector of the county or the treasurer ex officio
232 collector of the county in counties with a township form of government, so as to
233 exactly offset each homestead exemption credit being issued. In counties with a
234 township form of government, the county clerk shall provide the treasurer ex
235 officio collector a summary of the homestead exemption credit for each township
236 for the purpose of distributing the total homestead exemption credit to each
237 township collector in a particular county.

238 13. If, in any given year after 2005, the general assembly shall make an
239 appropriation for the funding of the homestead exemption credit that is signed
240 by the governor, then the director shall determine the apportionment percentage
241 by equally apportioning the appropriation among all eligible applicants on a
242 percentage basis. If no appropriation is made by the general assembly during any
243 tax year or no funds are actually distributed pursuant to any appropriation
244 therefor, then no homestead preservation credit shall apply in such year.

245 14. After determining the apportionment percentage, the director shall
246 calculate the credit to be associated with each verified eligible owner's homestead,
247 if any. The director shall send a list of those eligible owners who are to receive
248 the homestead exemption credit, including the amount of each credit, the certified
249 parcel number of the homestead, and the address of the homestead property, to
250 the county collectors or county clerks in counties with a township form of
251 government by August thirty-first. Pursuant to such calculation, the director
252 shall instruct the state treasurer as to how to distribute the appropriation to the
253 county collector's fund of each county where recipients of the homestead
254 exemption credit are located, so as to exactly offset each homestead exemption
255 credit being issued. As a result of the appropriation, in no case shall a political
256 subdivision receive more money than it would have received absent the provisions
257 of this section. Funds, at the direction of the collector of the county or treasurer
258 ex officio collector in counties with a township form of government, shall be
259 deposited in the county collector's fund of a county or may be sent by mail to the
260 collector of a county, or treasurer ex officio collector in counties with a township
261 form of government, not later than October first in any year a homestead
262 exemption credit is appropriated as a result of this section and shall be
263 distributed as moneys in such funds are commonly distributed from other
264 property tax revenues by the collector of the county or the treasurer ex officio
265 collector of the county in counties with a township form of government, so as to
266 exactly offset each homestead exemption credit being issued.

267 15. The department shall promulgate rules for implementation of this
268 section. Any rule or portion of a rule, as that term is defined in section 536.010,
269 RSMo, that is created under the authority delegated in this section shall become
270 effective only if it complies with and is subject to all of the provisions of chapter
271 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter
272 536, RSMo, are nonseverable and if any of the powers vested with the general
273 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date,

274 or to disapprove and annul a rule are subsequently held unconstitutional, then
275 the grant of rulemaking authority and any rule proposed or adopted after August
276 28, 2004, shall be invalid and void. Any rule promulgated by the department
277 shall in no way impact, affect, interrupt, or interfere with the performance of the
278 required statutory duties of any county elected official, more particularly
279 including the county collector when performing such duties as deemed necessary
280 for the distribution of any homestead appropriation and the distribution of all
281 other real and personal property taxes.

282 16. In the event that an eligible owner dies or transfers ownership of the
283 property after the homestead exemption limit has been set in any given year, but
284 prior to January first of the year in which the credit would otherwise be applied,
285 the credit shall be void and any corresponding moneys, pursuant to subsection 12
286 of this section, shall lapse to the state to be credited to the general revenue fund.
287 In the event the collector of the county or the treasurer ex officio collector of the
288 county in counties with a township form of government determines prior to
289 issuing the credit that the individual is not an eligible owner because the
290 individual did not pay the prior three years' property tax liability in full, the
291 credit shall be void and any corresponding moneys, under subsection 11 of this
292 section, shall lapse to the state to be credited to the general revenue fund.

293 17. This section shall apply to all tax years beginning on or after January
294 1, 2005. This subsection shall become effective June 28, 2004.

295 18. In accordance with the provisions of sections 23.250 to 23.298, RSMo,
296 and unless otherwise authorized pursuant to section 23.253, RSMo:

297 (1) Any new program authorized under the provisions of this section shall
298 automatically sunset six years after the effective date of this section; and

299 (2) This section shall terminate on September first of the year following
300 the year in which any new program authorized under this section is sunset, and
301 the revisor of statutes shall designate such sections and this section in a revision
302 bill for repeal.

137.385. Any person aggrieved by the assessment of his property may
2 appeal to the county board of equalization. An appeal shall be in writing and the
3 forms to be used for this purpose shall be furnished by the county clerk. Such
4 appeal shall be lodged with the county clerk as secretary of the board of
5 equalization before the ~~[third]~~ **second** Monday in ~~[June]~~ **July**; provided, that
6 the board may in its discretion extend the time for filing such appeals.

137.425. 1. In all counties which adopt township organization, township

2 taxes for township purposes may be levied on the taxable property in the
3 townships for the first year following the adoption of township organization,
4 based on the assessment made in the year for which the taxes are levied.

5 2. The county assessor shall make out and deliver to the county clerk, not
6 later than the first day of ~~[June]~~ **July** of the same year, an assessment book of
7 the county, arranged in a manner so that it can be determined which township
8 is entitled to the taxes assessed against any property.

9 3. The book shall be supplied by the county and the assessment and the
10 list shall be based upon the assessment made by the county assessor for the
11 current year.

137.720. 1. A percentage of all ad valorem property tax collections
2 allocable to each taxing authority within the county and the county shall be
3 deducted from the collections of taxes each year and shall be deposited into the
4 assessment fund of the county as required pursuant to section 137.750. The
5 percentage shall be one-half of one percent for all counties of the first and second
6 classification and cities not within a county and one percent for counties of the
7 third and fourth classification.

8 2. Prior to July 1, 2009, for counties of the first classification, counties
9 with a charter form of government, and any city not within a county, an
10 additional one-eighth of one percent of all ad valorem property tax collections
11 shall be deducted from the collections of taxes each year and shall be deposited
12 into the assessment fund of the county as required pursuant to section 137.750,
13 and for counties of the second, third, and fourth classification, an additional
14 one-quarter of one percent of all ad valorem property tax collections shall be
15 deducted from the collections of taxes each year and shall be deposited into the
16 assessment fund of the county as required pursuant to section 137.750, provided
17 that such additional amounts shall not exceed one hundred thousand dollars in
18 any year for any county of the first classification and any county with a charter
19 form of government and fifty thousand dollars in any year for any county of the
20 second, third, or fourth classification.

21 3. Effective July 1, 2009, for counties of the first classification, counties
22 with a charter form of government, and any city not within a county, an
23 additional one-eighth of one percent of all ad valorem property tax collections
24 shall be deducted from the collections of taxes each year and shall be deposited
25 into the assessment fund of the county as required pursuant to section 137.750,
26 and for counties of the second, third, and fourth classification, an additional

27 one-half of one percent of all ad valorem property tax collections shall be deducted
28 from the collections of taxes each year and shall be deposited into the assessment
29 fund of the county as required pursuant to section 137.750, provided that such
30 additional amounts shall not exceed one hundred twenty-five thousand dollars in
31 any year for any county of the first classification and any county with a charter
32 form of government and seventy-five thousand dollars in any year for any county
33 of the second, third, or fourth classification.

34 4. The county shall bill any taxing authority collecting its own taxes. The
35 county may also provide additional moneys for the fund. To be eligible for state
36 cost-share funds provided pursuant to section 137.750, every county shall provide
37 from the county general revenue fund an amount equal to an average of the three
38 most recent years of the amount provided from general revenue to the assessment
39 fund; provided, however, that capital expenditures and equipment expenses
40 identified in a memorandum of understanding signed by the county's governing
41 body and the county assessor prior to transfer of county general revenue funds
42 to the assessment fund shall be deducted from a year's contribution before
43 computing the three-year average, except that a lesser amount shall be acceptable
44 if unanimously agreed upon by the county assessor, the county governing body,
45 and the state tax commission. The county shall deposit the county general
46 revenue funds in the assessment fund as agreed to in its original or amended
47 maintenance plan, state reimbursement funds shall be withheld until the amount
48 due is properly deposited in such fund.

49 5. For all years beginning on or after January 1, 2010, any property tax
50 collections deposited into the county assessment funds provided [for] in
51 [subsection 2 of] this section shall be disallowed in any year in which the state
52 tax commission notifies the county that state assessment reimbursement funds
53 have been withheld from the county for three consecutive quarters due to
54 noncompliance by the assessor or county commission with the county's
55 assessment maintenance plan.

56 6. The provisions of subsections 2, 3, and 5 of this section shall expire on
57 December 31, 2015.

138.140. 1. In all constitutional charter cities not situated within any
2 county there shall be a board of equalization consisting of the assessor, who shall
3 be its president, and [four] **six** taxpaying, property-owning citizens resident in
4 the city for five years next before their appointment, who shall be appointed
5 annually by the mayor on or before the [second Monday in May] **first day of**

6 **July** of each year.

7 2. Each member shall take an oath similar to that required by law of
8 members of county boards of equalization.

9 3. Their compensation shall be fixed by ordinance.

10 4. Vacancies or absences on the board of equalization caused by death,
11 incapacity to perform duties, failure to attend three consecutive meetings, or
12 resignation shall be filled forthwith by appointment by the mayor.

13 **5. Two of the six taxpaying, property-owning citizen residents of**
14 **the board shall be designated by the mayor to serve as alternates to**
15 **serve when one or more of the citizen residents are unavailable.**

139.031. 1. Any taxpayer may protest all or any part of any current taxes
2 assessed against the taxpayer, except taxes collected by the director of revenue
3 of Missouri. Any such taxpayer desiring to pay any current taxes under protest
4 shall, at the time of paying such taxes, file with the collector a written statement
5 setting forth the grounds on which the protest is based. The statement shall
6 include the true value in money claimed by the taxpayer if disputed. **In any tax**
7 **year, taxpayers with pending appeals before the state tax commission**
8 **shall not be required to file a written statement when paying their**
9 **disputed taxes.**

10 2. [For all tax years beginning on or after January 1, 2009, any taxpayer
11 desiring to protest any current taxes shall make full payment of the current tax
12 bill and file with the collector a written statement setting forth the grounds on
13 which the protest is based.

14 3.] Upon receiving payment of current taxes under protest pursuant to
15 subsection 1 of this section or upon receiving from the state tax commission or the
16 circuit court notice of an appeal from the state tax commission or the circuit court
17 pursuant to section 138.430, RSMo, the collector shall disburse to the proper
18 official all portions of taxes not protested or not disputed by the taxpayer and
19 shall impound in a separate fund all portions of such taxes which are protested
20 or in dispute. Every taxpayer protesting the payment of current taxes under
21 subsection 1 [or 2] of this section shall, within ninety days after filing his protest,
22 commence an action against the collector by filing a petition for the recovery of
23 the amount protested in the circuit court of the county in which the collector
24 maintains his office. If any taxpayer so protesting his taxes under subsection 1
25 [or 2] of this section shall fail to commence an action in the circuit court for the
26 recovery of the taxes protested within the time prescribed in this subsection, such

27 protest shall become null and void and of no effect, and the collector shall then
28 disburse to the proper official the taxes impounded, and any interest earned
29 thereon, as provided above in this subsection.

30 [4.] 3. No action against the collector shall be commenced by any
31 taxpayer who has, effective for the current tax year, filed with the state tax
32 commission or the circuit court a timely and proper appeal of the assessment of
33 the taxpayer's property. The portion of taxes in dispute from an appeal of an
34 assessment shall be impounded in a separate fund and the commission in its
35 decision and order issued pursuant to chapter 138, RSMo, or the circuit court in
36 its judgment may order all or any part of such taxes refunded to the taxpayer, or
37 may authorize the collector to release and disburse all or any part of such taxes.

38 [5.] 4. Trial of the action for recovery of taxes protested under subsection
39 1 [or 2] of this section in the circuit court shall be in the manner prescribed for
40 nonjury civil proceedings, and, after determination of the issues, the court shall
41 make such orders as may be just and equitable to refund to the taxpayer all or
42 any part of the current taxes paid under protest, together with any interest
43 earned thereon, or to authorize the collector to release and disburse all or any
44 part of the impounded taxes, and any interest earned thereon, to the appropriate
45 officials of the taxing authorities. Either party to the proceedings may appeal the
46 determination of the circuit court.

47 [6.] 5. All the county collectors of taxes, and the collector of taxes in any
48 city not within a county, shall, upon written application of a taxpayer, refund or
49 credit against the taxpayer's tax liability in the following taxable year and
50 subsequent consecutive taxable years until the taxpayer has received credit in full
51 for any real or personal property tax mistakenly or erroneously levied against the
52 taxpayer and collected in whole or in part by the collector. Such application shall
53 be filed within three years after the tax is mistakenly or erroneously paid. The
54 governing body, or other appropriate body or official of the county or city not
55 within a county, shall make available to the collector funds necessary to make
56 refunds under this subsection by issuing warrants upon the fund to which the
57 mistaken or erroneous payment has been credited, or otherwise.

58 [7.] 6. No taxpayer shall receive any interest on any money paid in by the
59 taxpayer erroneously.

60 [8.] 7. All protested taxes impounded under protest under subsection 1
61 [or 2] of this section and all disputed taxes impounded under notice as required
62 by section 138.430, RSMo, shall be invested by the collector in the same manner

63 as assets specified in section 30.260, RSMo, for investment of state moneys. A
64 taxpayer who is entitled to a refund of protested or disputed taxes shall also
65 receive the interest earned on the investment thereof. If the collector is ordered
66 to release and disburse all or part of the taxes paid under protest or dispute to
67 the proper official, such taxes shall be disbursed along with the proportional
68 amount of interest earned on the investment of the taxes due the particular
69 taxing authority.

70 [9.] 8. On or before March first next following the delinquent date of
71 taxes paid under protest or disputed, the county collector shall notify any taxing
72 authority of the taxes paid under protest and disputed taxes which would be
73 received by such taxing authority if the funds were not the subject of a protest or
74 dispute. Any taxing authority may apply to the circuit court of the county or city
75 not within a county in which a collector has impounded protested or disputed
76 taxes under this section and, upon a satisfactory showing that such taxing
77 authority would receive such impounded tax funds if they were not the subject of
78 a protest or dispute and that such taxing authority has the financial ability and
79 legal capacity to repay such impounded tax funds in the event a decision ordering
80 a refund to the taxpayer is subsequently made, the circuit court shall order,
81 pendente lite, the disbursement of all or any part of such impounded tax funds to
82 such taxing authority. The circuit court issuing an order under this subsection
83 shall retain jurisdiction of such matter for further proceedings, if any, to compel
84 restitution of such tax funds to the taxpayer. In the event that any protested or
85 disputed tax funds refunded to a taxpayer were disbursed to a taxing authority
86 under this subsection instead of being held and invested by the collector under
87 subsection [8] 7 of this section, such taxing authority shall pay the taxpayer
88 entitled to the refund of such protested or disputed taxes the same amount of
89 interest, as determined by the circuit court having jurisdiction in the matter, such
90 protested or disputed taxes would have earned if they had been held and invested
91 by the collector.

92 [10.] 9. No appeal filed from the circuit court's or state tax commission's
93 determination pertaining to the amount of refund shall stay any order of refund,
94 but the decision filed by any court of last review modifying that determination
95 shall be binding on the parties, and the decision rendered shall be complied with
96 by the party affected by any modification within ninety days of the date of such
97 decision. No taxpayer shall receive any interest on any additional award of
98 refund, and the collector shall not receive any interest on any ordered return of

99 refund in whole or in part.

Section B. Because of the need to ensure equitable and efficient imposition
2 in collection of property taxes, section A of this act is deemed necessary for the
3 immediate preservation of the public health, welfare, peace and safety, and is
4 hereby declared to be an emergency act within the meaning of the constitution,
5 and section A of this act shall be in full force and effect upon its passage and
6 approval.

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